

FLORIDA BOARD OF GOVERNORS

January 26, 2006

SUBJECT: Amended Legislative Budget Request Issue on Non-reimbursable Hurricane Related Expenses

PROPOSED BOARD ACTION

Approve an amended 2006 legislative budget request issue on university hurricane related expenses that will not be reimbursed by FEMA or insurance and authorize the Chancellor to make technical corrections as necessary.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Subsection (d) of Section 7 of Article IX, Education, of the Constitution of Florida as amended. Board of Governors' Master Powers and Duties, Section II(2).

BACKGROUND INFORMATION

Approved by the Board in September and included in the legislative budget request submitted on October 15, 2005 was a \$1.2 million issue that requested state funds for hurricane expenses incurred by the universities that will not be reimbursable by FEMA or insurance. The \$1.2 million reflected estimates provided by the universities as a result of hurricanes Dennis and Katrina. This information has been updated by the universities and also includes the impact of hurricane Wilma. The total 2005 estimated non-reimbursable costs are \$9.1 million. These non-reimbursable expenses include related hurricane damages, preventive measures (such as the purchase of generators and other emergency equipment / preparedness) and cleanup.

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Universities also updated expenditure information from the 2004 hurricanes. Total non-reimbursable expenditures were \$7.4 million. During the 2005 legislative session, UWF was appropriated \$4.9 million to cover its costs. The other universities still have approximately, \$2.5 million in non-reimbursable expenditures.

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Total hurricane expenditures from 2004 (\$2.5 million) and 2005 (\$9.1 million) that will not be covered by FEMA or insurance are \$11,645,163.

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Supporting Documentation Included: 2004 and 2005 Updated Hurricane Related Expenses by University

Facilitators/Presenters: Tim Jones